

Devolution

supporting social, economic, and political development of the NWT

We've been talking about devolution for more than 30 years, and we've seen significant progress. So why are we still talking about it?

The definition of devolution has changed, for one thing.

When these discussions first started, devolution meant the transfer of responsibilities from the federal government to the territorial government. We've now had a variety of experiences over the past 30 years, with the transfer of forestry resources, health services and airports, to name a few. And if there's one thing we all agree on, it's that devolution should reflect the priorities of all residents in the Northwest Territories, including Aboriginal people.

Devolution now sees Canada transferring responsibilities to territorial and aboriginal governments. We also recognize that this modern government-to-government approach must complement other land claim and self-government negotiations that are taking place here.

We still have some unfinished business. Canada recognizes that negotiations to transfer the political and fiscal authority for Crown resource management and revenues to the GNWT will serve the long-term interests of Northerners. Indeed, we've already seen land transferred to distinct

Aboriginal groups through land claim settlement agreements.

The bulk of potential resource areas in the Northwest Territories, however, remains under the authority of the federal government, unlike other resource-rich regions of Canada where the political and fiscal authority rests with the provinces.

Devolution of the management and control over land and resources to northern governments would mean benefits from development, such as royalties, would stay North rather than flowing to Canada, as they do presently. Such a change in revenue flow would not only mean additional funds for northern

Minister of Indian and Northern Affairs, Robert Nault, during a previous visit to the NWT.



governments, but would also strengthen the relationship between industry and Northerners.

Canada is serious about continuing to make progress on devolution. The country, and indeed the world, are watching as national and international companies take a keen interest in pursuing natural resource development in the NWT. The timing is right.

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Upcoming Intergovernmental Forum

Last year, Northern leaders agreed to establish an Intergovernmental Forum as a way to bring together Aboriginal leaders, and representatives of the territorial and federal governments to talk about issues of common interest facing the NWT, as a whole.

The first Intergovernmental Forum, held in May 2000, resulted in the Aboriginal, territorial, and federal governments committing to work together on:

- pipeline development, non-renewable resource development, and economic development;
- devolution and the governance structures necessary to make this happen;
- capacity building for Aboriginal governments; and
- developing principles to guide the Intergovernmental Forum process.

Northern leaders are looking ahead to the second Intergovernmental Forum, slated for Spring, 2001. DIAND Minister Robert Nault has already agreed to attend.

Armchair Discussion

Bob Overvold, Regional Director General for DIAND in the NWT, has a unique perspective on devolution. For more than 20 years now, he has led discussions on devolution from all sides: from the Aboriginal side, from the territorial side, and now from the federal side.

Why is devolution critical to the future of the NWT?

I started to get my head around devolution about 20 years ago. I started first as the Chief Negotiator for the Dene and Metis



Nation. Around the early 80's, the Government of the Northwest Territories (GNWT) started talking to the federal government about taking another crack at devolution. When the

Dene/Metis started to negotiate their claim, they always said, "we're not just talking about a land claim agreement, we're talking about self-government". That's where the phrase "Denendeh" came from back then, because we wanted to establish our own government. But Canada didn't have a policy to negotiate self-government back then. What we did achieve with the GNWT, was a Memorandum of Understanding describing how the Dene/Metis were to be involved.

Progress was made, but discussions on devolution were often a struggle. I left the Dene and Metis Nation, and began working for the GNWT as the Deputy Minister of Aboriginal Affairs and Intergovernmental Affairs. In the late 80's and early 90's, I once again led talks on devolution, but this time from the territorial side.

Some folk may see devolution as the panacea that will resolve all fiscal issues, the GNWT's shortfalls, and all. It isn't, but it will certainly help the NWT become more self-reliant and less dependent on other governments. Devolution is a critical step in Northerners gaining control over northern resources.

The GNWT has already taken on a number of responsibilities and jurisdictions. Health and education, for example. What do you see as still needing to be evolved?

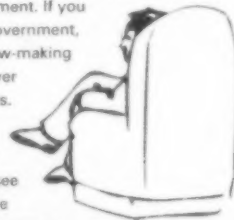
That's something most people don't recognize, that a lot of devolution has already occurred. Forestry, education, airports, health, and some other areas like solicitor general functions, for example.

In terms of what is still outstanding, we have an incredible amount of resources here in the NWT: oil and gas, diamonds. Those legislative authorities still remain with DIAND, with the Northern Affairs Program. So that's a big item. DIAND still manages Crown land. Canada, for example, holds all the law-making authority in terms of royalty regimes for industry, corporate taxes, etc. When industry is interested in conducting exploration work, it isn't northern governments who give them the rights to explore. That's still DIAND's responsibility.

So what are the major challenges ahead?

There are still challenges ahead, but they are probably easier to deal with now than they were five, ten years ago, and certainly 20 years ago. We now have a clearer understanding of where we're going in the NWT. Most of the regions are well on their way toward concluding claims and self-government. There are now three settled claims, and the Dogrib agreement is

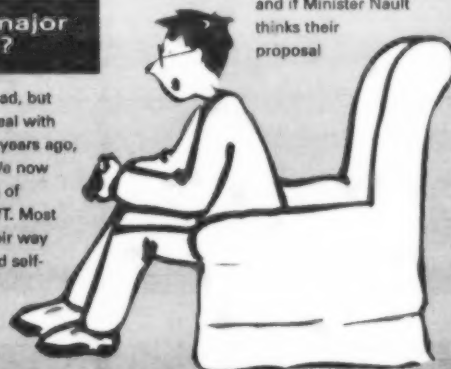
just around the corner, which includes self-government. Canada now has an Inherent Right Policy, and acknowledges that there is going to be self-government. If you have self-government, you have law-making authority over certain areas.



I think all parties are starting to see that we have more of a common vision of where we're going, so Aboriginal groups are now willing to listen, to explore what's possible in devolution. The fact that we have not completed all claims and self-government talks is going to cause some groups to tread very carefully. Especially if we get to the point of beginning formal negotiations on devolution. But overall, things are clearer. There are less unknowns.

So is Canada prepared to negotiate resource revenue-sharing as part of devolution?

I think Canada is prepared to explore that. When Minister Robert Nault was here in December, he said that, if the GNWT and Aboriginal governments come to him at the next Intergovernmental Forum with some broad positions, stating that they want to share revenues, and here's how they want to go about negotiating those responsibilities and programs; and if Minister Nault thinks their proposal



with Bob Overvold on Devolution

Bob Overvold, Regional Director General, shares his views on devolution.



makes sense, then he is prepared to go to Cabinet to get a mandate to negotiate devolution.

Are we talking about coming to an understanding on how to negotiate devolution here?

Yes, that was the understanding when Minister Nault was up here in December. The premier basically said that there are some issues around economics, or in other words around sharing of revenues, that the GNWT want to sort out with the Aboriginal Summit first. They were anticipating this could be done by March. Then the GNWT and the Aboriginal Summit would like to meet with Minister Nault again, and perhaps come to a shared understanding. Minister Nault could then use that shared understanding as a basis to go to Cabinet and get the mandate to negotiate devolution. So that's where we're heading.

How do you see devolution coinciding with land claims and self-government?

Again, whatever is negotiated in devolution has to complement what has been negotiated in land claims so far, and what is being negotiated in self-government agreements. Because we are talking about governance, we are talking about lawmaking authorities. So you can't negotiate something in devolution, in terms of lawmaking authority, that won't fit in with what is being negotiated at, say, the Beaufort Delta and the Dogrib tables.

Isn't there already some resource revenue-sharing contained in some of the land claim agreements?

Well, the Sahtu Land Claim agreement, for example, provides a small share of some of the revenues that Canada now gets. But it is a very small share. For lack of a better word, it's more like private dollars, and is not meant to finance government programs in final self-government agreements. It is more for beneficiaries to use for economic purposes, or for whatever private purposes they choose.

With devolution resource revenue-sharing, we are talking about a bigger share, a share being given to northern governments for public reasons, for public programs and services.

So what's your unique perspective on devolution?

I think we've made great strides in the North, in articulating where we want to be in 10 to 20 years, post devolution.

In my view there is still skepticism by some Aboriginal groups that perhaps devolution and resource-revenue sharing is not really the direction the territorial and the federal governments want to go. Maybe they are just saying it. So there is some skepticism.

I think I can play a positive role because I have been there for every party now, on all sides. I think I have a unique perspective. Some people have said, "Oh, you traitor, how could

you go over there?" My response is, "This is where I'm from. I'm working for the North. I just happen to be with the federal or the territorial government for this period of my life."

I think I have an understanding of where all of the groups are coming from, and so I can speak with some authority in saying, "Look, this is good for the North. This is what we want to do. It complements what we have always tried to do in negotiating claims.

For more than 20 years, Northerners have said, the primary objective is to become self-reliant. We want to run our own affairs. We do not want to rely on others for dollars to run our own programs. Well, here's a way of doing it. Devolution, by itself, won't get us there. It has to be a package deal. It has to go with land claims. It has to go with the self-government agreements we negotiate. It has to go with any new forms of government we negotiate, whether its at the regional level, or the territorial level.

Devolution gives teeth to governance. That is what the territorial government has been saying it wants. The GNWT is a government, but dependent on somebody else. If the ability to make laws over land and resources and environment was devolved, that would give the GNWT economic teeth. The same thing would apply to Aboriginal regional governments. If they

had a share, and were a part of any devolution agreement, it would give their governments real teeth.

Like I said, devolution is not the panacea to resolve all our problems, but it brings us a long way toward getting the additional revenues needed to run our own affairs. And that is what Northerners have been saying for years.



Bob Overvold is a key member of the federal team on devolution, and will be participating, on behalf of Canada, in the upcoming Intergovernmental Forum.

Devolution and Resource Revenue— Sharing: Moving Interest into Action

Devolution and resource revenue-sharing go hand in hand. Sustainable resource development has the potential to provide northern governments with a valuable source of revenue.

Northern leaders have also made it clear that they want to develop a new resource revenue-sharing relationship with the federal government that will, over the long term, reduce the North's dependency on federal transfer payments.

While current revenues from the NWT are equivalent to only a fraction of the costs of government programs and



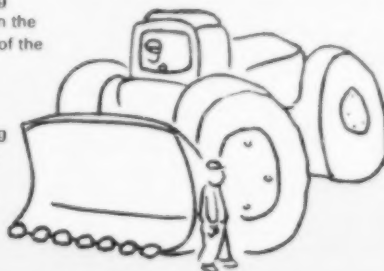
services, our territory's oil and gas and mining potential may prove to be a considerable source of resource revenue in the future.

Canada recognizes that improving the current resource benefit-sharing relationship is a significant element in the political and economic development of the Northwest Territories.

Canada's goal is an inclusive approach to resource revenue-sharing that will ensure that all people in the North benefit from resource development. This also includes access to the jobs, investment, and

other opportunities that development brings.

Through future Intergovernmental Forum discussions, Canada is prepared to work with Northern leaders to make resource revenue-sharing, through devolution, a reality.



OUR Vision

The Northwest Territories region of DIAND is a respected partner in a strong and healthy Northwest Territories.

- We strive for:**
- respectful, effective relationships with Aboriginal peoples;
 - creating and enhancing opportunities for all northerners;
 - responsible resource development in healthy ecosystems;
 - northern control over northern resources;
 - responsive and accountable northern governments as partners; and
 - national initiatives that reflect the interests of all northerners.

In the previous edition of *Plain Talk*, Elder Elise Liske was incorrectly identified. We regret any inconveniences our error may have caused.



On the web

Visit the following for more information:

Government of Canada programs and services:

Government of Canada home page:
www.gc.ca

Plain Talk on the web:

DIAND site:
www.inac.gc.ca/nt/pt/index_e.html

Various claims agreements:

DIAND site:
www.inac.gc.ca/pr/agr/index_e.html

Q. How does devolution fit with land claims self-government?

A. Devolution is intended to complement land claims and self-government. Many issues cut across all tables, and indeed, affect all governments and all Northerners. Consensus is emerging that territorial-wide issues like devolution and resource revenue sharing are key topics for discussion in the upcoming Intergovernmental Forum.

Do you have a question about land or self-government negotiations in the NWT? We'd be happy to provide an answer. Contact us at the address listed below.

Plain Talk is produced to provide general information on topics related to land claims and self-government. It is not a legal document.

We welcome your input!

Please direct questions or comments to:

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